

January 5, 2006

**COMPETITIVE LEASE OFFERING
FOR OIL, GAS AND ASSOCIATED HYDROCARBONS
AND OTHER MINERAL COMMODITIES
(Bids to be opened January 30, 2006)**

STATE OF UTAH
SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION
675 EAST 500 SOUTH, SUITE 500
SALT LAKE CITY, UT 84102-2818
(801) 538-5100

OIL, GAS AND ASSOCIATED HYDROCARBONS LEASING UNITS

The oil, gas and hydrocarbon leases on the lands listed below have expired and the lands are available for leasing. These lands are hereby offered for oil, gas and associated hydrocarbons lease by competitive filing by the State of Utah, School and Institutional Trust Lands Administration, at a 12-1/2% royalty rate, unless otherwise specified for the individual leasing unit, in accordance with the provisions of State law and the Rules Governing the Management and Use of Trust Lands in Utah. The offering of these lands for leasing of oil, gas and associated hydrocarbons does not guarantee that there are deposits of oil, gas and associated hydrocarbons on these lands. The filing period ends at 5:00 P.M., **Friday January 27, 2006**. Each application should include only one leasing unit per application and must be on Form B (rev 3/05), Oil, Gas and Associated Hydrocarbons Competitive Lease Offering Application, or copies thereof. Form B (rev 3/05) must be accompanied by two checks, one for the bonus bid for the leasing unit and one check for \$30.00 to cover the application fee. All application fees are forfeited to the Trust Lands Administration. The minimum acceptable bid is \$1.50 per net acre **or fractional part thereof** unless otherwise noted. Each bid is for the first year of the lease. Each application must be submitted in a separate, sealed envelope marked: **“Sealed bid for competitive filing on Leasing Unit No. _____ being offered for oil, gas and associated hydrocarbons leasing. Bids to be opened at 10:00 A.M., Monday, January 30, 2006, at the School and Institutional Trust Lands Administration office at 675 East 500 South, Suite 500, Salt Lake City, UT 84102-2818.”** No bid will be accepted unless it includes: (1) all the lands offered in a particular leasing unit, (2) the entire bonus bid, and (3) is submitted in the manner required on Form B (rev 3/05). The bid checks of all unsuccessful applicants will be returned to the applicant. Leasing units receiving no bids and marked with an * will not be available for over the counter leasing. All other units will be available for over-the counter lease application from 8:00 am January 31, 2006, thru 5:00 pm April 30, 2006, in accordance with Rules Governing the Management and Use of Trust Lands in Utah.

COMPETITIVE LEASE OFFERING**January 5, 2006****Page Two****Oil, Gas & Associated Hydrocarbons**

| <u>LEASING UNIT NO.</u> | <u>DESCRIPTION</u> | <u>COUNTY/ACRES</u> |
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| 1 | <u>T6S, R21E, SLB&M</u> Sec. 13: Lot 10(22.20) | Uintah 22.20 Acres |
| 2 | <u>T6S, R21E, SLB&M</u> Sec. 14: Lots 5(33.70), 6(16.50), 9(42.80), NE $\frac{1}{4}$ SE $\frac{1}{4}$ | Uintah 133.00 Acres |

LEASING UNIT NO. 3 IS OFFERED FOR OIL, GAS & ASSOCIATED HYDROCARBONS BELOW A TRUE VERTICAL DEPTH OF 1000 FEET BELOW THE SURFACE. LEASE ISSUED TO THE SUCCESSFUL BIDDER WILL CONTAIN A LEASE STIPULATION TO THAT EFFECT.

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| 3 | <u>T6S, R22E, SLB&M</u> Sec. 5: Lot 1 (7.62), S $\frac{1}{2}$ Sec. 6: Lots 1(7.56), 2(7.72), 6(41.09), 7(41.98), S $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ | Uintah 745.97 Acres |
| 4 | <u>T6S, R22E, SLB&M</u> Sec. 9: Lot 1 (35.65) | Uintah 35.65 Acres |
| 5 | <u>T6S, R22E, SLB&M</u> Sec. 11: NW $\frac{1}{4}$ SE $\frac{1}{4}$ | Uintah 40.00 Acres |

LEASING UNIT NO. 6 IS OFFERED SUBJECT TO TERMS OF SURFACE SPECIAL USE LEASE AGREEMENT 589 BETWEEN THE TRUST LANDS ADMINISTRATION AND THE US DEPARTMENT OF THE INTERIOR FISH & WILDLIFE SERVICE

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| 6 | <u>T7S, R20E, SLB&M</u> Sec. 36: All | Uintah 640.00 Acres |
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LEASING UNIT NO. 7 IS OFFERED FOR A FIVE YEAR TERM AT 16 2/3% ROYALTY RATE

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| 7 * | <u>T12S, R23E, SLB&M</u> Sec. 2: Lots 1(39.63), 2(39.68), 3(39.74), 4(39.79), S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) | Uintah 638.84 Acres |
| 8 | <u>T13S, R13E, SLB&M</u> Sec. 23: Lots 7(25.74), 8(25.74), 9(25.74) Sec. 24: Lot 3(33.43) | Carbon 110.65 Acres |

LEASING UNIT NO. 9 IS OFFERED FOR A FIVE YEAR TERM AT 16 2/3% ROYALTY RATE

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| 9 * | <u>T15S, R24E, SLB&M</u> Sec. 18: SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 27: SE $\frac{1}{4}$ NW $\frac{1}{4}$ | Uintah 80.00 Acres |
| 10 | <u>T17S, R10E, SLB&M</u> Sec. 1: SE $\frac{1}{4}$ Sec. 2: Lots 1(40.00), 2(40.00), 3(40.00), 4(40.00), S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) Sec. 3: SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 11: NE $\frac{1}{4}$ NE $\frac{1}{4}$ | Emery 880.00 Acres |
| 11 | <u>T17S, R10E, SLB&M</u> Sec. 10: NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 16: E $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ | Emery 240.00 Acres |
| 12 | <u>T17S, R10E, SLB&M</u> Sec. 28: SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 29: S $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 32: All | Emery 760.00 Acres |
| 13 | <u>T17S, R10E, SLB&M</u> Sec. 36: All | Emery 640.00 Acres |
| 14 | <u>T19S, R24E, SLB&M</u> Sec. 2: Lots 1(44.68), 2(44.81), 3(44.93), 4(45.06), S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) | Grand 659.48 Acres |
| 15 | <u>T19S, R24E, SLB&M</u> Sec. 16: All | Grand 640.00 Acres |
| 16 | <u>T19S, R24E, SLB&M</u> Sec. 32: Lots 1(41.05), 2(37.91), 3(36.67), 4(36.65), N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ (All) | Grand 632.28 Acres |
| 17 | <u>T19S, R24E, SLB&M</u> Sec. 36: Lots 1(38.27), 2(38.76), 3(39.26), 4(39.75), N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ (All) | Grand 636.04 Acres |
| 18 | <u>T23S, R14E, SLB&M</u> Sec. 32: All | Emery 640.00 Acres |
| 19 | <u>T24S, R13E, SLB&M</u> Sec. 2: Lots 1(19.11), 2(19.12), 3(19.14), 4(19.15), 5(40.00), 6(40.00), 7(40.00), 8(40.00), S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) | Emery 716.52 Acres |

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| 20 | <u>T24S, R13E, SLB&M</u> Sec. 36: All | Emery 640.00 Acres |
| 21 | <u>T24S, R14E, SLB&M</u> Sec. 16: All | Emery 640.00 Acres |
| 22 | <u>T24S, R14E, SLB&M</u> Sec. 32: All | Emery 640.00 Acres |
| 23 | <u>T24S, R14E, SLB&M</u> Sec. 36: All | Emery 640.00 Acres |
| 24 | <u>T25S, R13E, SLB&M</u> Sec. 16: All | Emery 640.00 Acres |
| 25 | <u>T25S, R13E, SLB&M</u> Sec. 32: All | Emery 640.00 Acres |
| 26 | <u>T25S, R14E, SLB&M</u> Sec. 16: All | Emery 640.00 Acres |
| 27 | <u>T25S, R14E, SLB&M</u> Sec. 32: All | Emery 640.00 Acres |
| 28 | <u>T25S, R14E, SLB&M</u> Sec. 36: All | Emery 640.00 Acres |
| 29 | <u>T26S, R13E, SLB&M</u> Sec. 2: Lots 1(47.80), 2(47.77), 3(47.73), 4(47.70), S½N½, S½ (All) | Emery 671.00 Acres |
| 30 | <u>T26S, R13E, SLB&M</u> Sec. 16: All | Emery 640.00 Acres |
| 31 | <u>T26S, R13E, SLB&M</u> Sec. 32: All | Emery 640.00 Acres |
| 32 | <u>T26S, R14E, SLB&M</u> Sec. 2: Lots 1(48.20), 2(48.18), 3(48.14), 4(48.12), S½N½, S½ (All) | Emery 672.64 Acres |
| 33 | <u>T26S, R14E, SLB&M</u> Sec. 16: All | Emery 640.00 Acres |
| 34 | <u>T26S, R14E, SLB&M</u> Sec. 36: All | Emery 640.00 Acres |

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| 35 | <u>T26S, R15E, SLB&M</u> Sec. 2: Lots 1(28.69), 2(28.74), 3(28.80), 4(28.85), S½N½, S½ (All) | Emery 595.08 Acres |
| 36 | <u>T26S, R15E, SLB&M</u> Sec. 16: All | Emery 640.00 Acres |
| 37 | <u>T26S, R15E, SLB&M</u> Sec. 32: All | Emery 640.00 Acres |
| 38 | <u>T27S, R14E, SLB&M</u> Sec. 2: Lots 1(20.71), 2(20.79), 3(20.85), 4(20.93), S½N½, S½ (All) | Wayne 563.28 Acres |
| 39 | <u>T27S, R14E, SLB&M</u> Sec. 32: All | Wayne 640.00 Acres |
| 40 | <u>T27S, R14E, SLB&M</u> Sec. 36: All | Wayne 640.00 Acres |
| 41 | <u>T27S, R15E, SLB&M</u> Sec. 16: All | Wayne 640.00 Acres |

LEASING UNIT NO. 42 CONTAINS ACREAGE WITHIN AN EXISTING BUREAU OF LAND MANAGEMENT ("BLM") WILDERNESS STUDY AREA ("WSA"). A FEDERAL JUDICIAL DECISION PROVIDES THAT REASONABLE ACCESS TO STATE TRUST LANDS WITHIN WSA'S MUST BE GRANTED BY THE BLM; HOWEVER, THE SUCCESSFUL LESSEE WILL BE REQUIRED TO APPLY FOR AND OBTAIN THE APPROPRIATE EASEMENTS FROM THE BLM AT THEIR EXPENSE. ADDITIONALLY, THE SUCCESSFUL LESSEE SHOULD BE AWARE THAT THE TRUST LANDS ADMINISTRATION WILL NOT CONSENT TO LEASE TERM OR ANNUAL RENTAL SUSPENSIONS ON LEASES WHOLLY OR PARTIALLY WITHIN EXISTING OR PROPOSED WSA'S ON ACCOUNT OF RESTRICTIONS PLACED UPON ACCESS OR AVAILABILITY OF SURROUNDING BLM LANDS FOR LEASING AND/OR OPERATIONS.

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| 42 | <u>T28S, R13E, SLB&M</u> Sec. 16: All | Wayne 640.00 Acres |
| 43 | <u>T28S, R14E, SLB&M</u> Sec. 2: Lots 1(39.98), 2(39.97), 3(39.97), 4(39.96), S½N½, S½ (All) | Wayne 639.88 Acres |

LEASING UNIT NO. 44 CONTAINS ACREAGE ADJACENT TO AN EXISTING BUREAU OF LAND MANAGEMENT ("BLM") WILDERNESS STUDY AREA ("WSA"). A FEDERAL JUDICIAL DECISION PROVIDES THAT REASONABLE ACCESS TO STATE TRUST LANDS MUST BE GRANTED BY THE BLM; HOWEVER, THE SUCCESSFUL LESSEE WILL BE REQUIRED TO APPLY FOR AND OBTAIN THE APPROPRIATE EASEMENTS FROM THE BLM AT THEIR EXPENSE. ADDITIONALLY, THE SUCCESSFUL LESSEE SHOULD BE AWARE THAT THE TRUST LANDS ADMINISTRATION WILL NOT CONSENT TO LEASE

TERM OR ANNUAL RENTAL SUSPENSIONS ON LEASES ADJACENT TO PROPOSED WSA'S ON ACCOUNT OF RESTRICTIONS PLACED UPON ACCESS OR AVAILABILITY OF SURROUNDING BLM LANDS FOR LEASING AND/OR OPERATIONS.

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| 44 | <u>T28S, R14E, SLB&M</u> Sec. 16: All | Wayne 640.00 Acres |
| 45 | <u>T28S, R14E, SLB&M</u> Sec. 36: All | Wayne 640.00 Acres |
| 46 | <u>T29S, R14E, SLB&M</u> Sec. 2: Lots 1(39.93), 2(39.90), 3(39.88), 4(39.85), S½N½, S½ (All) | Wayne 639.56 Acres |
| 47 | <u>T29S, R14E, SLB&M</u> Sec. 16: All | Wayne 640.00 Acres |
| 48 | <u>T33S, R25E, SLB&M</u> Sec. 27: NE¼NW¼, W½W½ | San Juan 200.00 Acres |
| 49 | <u>T24S, R5W, SLB&M</u> Sec. 3: Lot 1(20.03) | Millard 20.03 Acres |
| 50 | <u>T25S, R4½W, SLB&M</u> Sec. 2: Lots 1(40.27), 2(40.42), 3(40.58), 4(40.73), S½N½, S½ (All) | Sevier 642.00 Acres |
| 51 | <u>T25S, R4½W, SLB&M</u> Sec. 32: S½NE¼ | Sevier 80.00 Acres |
| 52 | <u>T25S, R5W, SLB&M</u> Sec. 10: NW¼SE¼ | Sevier 40.00 Acres |
| 53 | <u>T26S, R4½W, SLB&M</u> Sec. 32: Lots 1(39.04), 2(40.00), E½, NW¼, N½SW¼ (All) | Piute & Sevier 639.04 Acres |
| 54 | <u>T26S, R4½W, SLB&M</u> Sec. 36: All | Piute & Sevier 640.00 Acres |
| 55 | <u>T26S, R5W, SLB&M</u> Sec. 36: Lots 1(39.02), 2(38.34), 3(38.97), 4(39.00), 5(21.59), N½, NW¼SW¼ | Piute & Sevier 536.92 Acres |
| 56 | <u>T27S, R4W, SLB&M</u> Sec. 1: Lot 2(40.08), Sec. 2: Lots 1(40.18), 2(40.12), 3(40.08), 4(40.02), S½N½, S½ (All) | Piute 680.48 Acres |

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| 57 | <u>T27S, R4W, SLB&M</u> Sec. 25: N $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 36: All | Piute 720.00 Acres |
| 58 | <u>T29S, R5W, SLB&M</u> Sec. 16: All | Beaver 640.00 Acres |
| 59 | <u>T29S, R6W, SLB&M</u> Sec. 32: All | Beaver 640.00 Acres |
| 60 | <u>T29S, R7W, SLB&M</u> Sec. 3: S $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 10: E $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, M&B [Part W $\frac{1}{2}$ SE $\frac{1}{4}$] (70.00) Sec. 11: M&B [Part E $\frac{1}{2}$ SW $\frac{1}{4}$] (45.00) Sec. 15: N $\frac{1}{2}$ N $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 16: M&B [Part S $\frac{1}{2}$ NE $\frac{1}{4}$, Part W $\frac{1}{2}$ SE $\frac{1}{4}$] (31.00) | Beaver 376.00 Acres |
| 61 | <u>T29S, R7W, SLB&M</u> Sec. 6: Lots 1(38.94), 3(39.53), 4(39.89), 5(39.85) | Beaver 158.21 Acres |
| 62 | <u>T29S, R7W, SLB&M</u> Sec. 19: M&B [Part SE $\frac{1}{4}$ SW $\frac{1}{4}$, Part SE $\frac{1}{4}$] (83.66) Sec. 30: M&B [Part NW $\frac{1}{4}$ NE $\frac{1}{4}$, Part NE $\frac{1}{4}$ NW $\frac{1}{4}$] (25.83) | Beaver 109.49 Acres |
| 63 | <u>T29S, R7W, SLB&M</u> Sec. 22: M&B [Part SE $\frac{1}{4}$ NE $\frac{1}{4}$] (7.44) Sec. 23: M&B [Part E $\frac{1}{2}$ NW $\frac{1}{4}$] (32.00), SE $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 24: SW $\frac{1}{4}$ Sec. 25: Lots 6(43.48), 7(42.93), 8(42.80), 9(43.34) Sec. 26: NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ | Beaver 769.49 Acres |
| 64 | <u>T29S, R7W, SLB&M</u> Sec. 27: Lots 3(40.07), 4(41.32) Sec. 28: M&B [Part W $\frac{1}{2}$ NE $\frac{1}{4}$, Part S $\frac{1}{2}$ NW $\frac{1}{4}$] (59.75) Sec. 34: Lot 4(41.95) | Beaver 183.09 Acres |
| 65 | <u>T29S, R7W, SLB&M</u> Sec. 36: Lots 1(40.40), 2(40.43), 3(40.47), 4(40.50), 5(39.43), 6(39.34), 7(39.24), 8(39.15), W $\frac{1}{2}$ (All) | Beaver 638.96 Acres |

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| 66 | <u>T29S, R8W, SLB&M</u> Sec. 1: Lots 1(40.12), 2(40.43), S½N½ Sec. 2: Lots 1(41.08), 2(41.05), 3(41.01), 4(40.98), S½N½, S½ (All) Sec. 3: SE¼SW¼, S½SE¼ Sec. 10: N½N½, SW¼NW¼ | Beaver 1204.67 Acres |
| 67 | <u>T29S, R8W, SLB&M</u> Sec. 9: NE¼, W½W½ Sec. 16: All Sec. 17: E½NE¼, SE¼SW¼, N½SE¼, SW¼SE¼ Sec. 20: NW¼NE¼, N½NW¼, SW¼NW¼ | Beaver 1360.00 Acres |
| 68 | <u>T29S, R8W, SLB&M</u> Sec. 22: N½SE¼ Sec. 23: SW¼NW¼, NW¼SW¼ Sec. 24: NE¼NW¼ | Beaver 200.00 Acres |
| 69 | <u>T29S, R8W, SLB&M</u> Sec. 28: M&B [Part S½SW¼] (45.00) Sec. 29: M&B [Part SE¼NW¼, Part NE¼SW¼, Part N½SE¼, Part SE¼SE¼] (109.34) Sec. 30: M&B [Tract 1 within Lot 4] (1.86) Sec. 32: NE¼NE¼, NE¼NW¼NE¼, S½S½ Sec. 33: M&B [Part NE¼NW¼] (30.00), N½SW¼ | Beaver 476.20 Acres |
| 70 | <u>T30S, R5W, SLB&M</u> Sec. 2: Lots 1(6.28), 2(6.26), 3(6.26), 4(6.24), 5(40.00), 6(40.00), 7(40.00), 8(40.00), 9(40.00), 10(40.00), 11(40.00), 12(40.00), S½ (All) | Beaver 665.04 Acres |
| 71 | <u>T30S, R6W, SLB&M</u> Sec. 16: All Sec. 18: SW¼NE¼, NW¼SE¼ | Beaver 720.00 Acres |
| 72 | <u>T30S, R6W, SLB&M</u> Sec. 32: All | Beaver 640.00 Acres |
| 73 | <u>T30S, R7W, SLB&M</u> Sec. 1: S½NW¼, N½SW¼ Sec. 2: Lots 1(40.02), 2(40.06), 3(40.19), S½N½, S½ | Beaver 760.27 Acres |

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| 74 | <u>T30S, R7W, SLB&M</u> Sec. 16: All | Beaver 640.00 Acres |
| 75 | <u>T30S, R7W, SLB&M</u> Sec. 32: All | Beaver 640.00 Acres |
| 76 | <u>T30S, R7W, SLB&M</u> Sec. 36: All | Beaver 640.00 Acres |
| 77 | <u>T30S, R8W, SLB&M</u> Sec. 2: Lots 1(10.64), 2(10.79), 3(10.95), 4(11.10), 5(40.00), 6(40.00), 7(40.00), 8(40.00), S½N½, S½ (All) | Beaver 683.48 Acres |
| 78 | <u>T30S, R8W, SLB&M</u> Sec. 16: All | Beaver 640.00 Acres |
| 79 | <u>T30S, R8W, SLB&M</u> Sec. 32: All | Beaver 640.00 Acres |
| 80 | <u>T30S, R8W, SLB&M</u> Sec. 36: All | Beaver 640.00 Acres |
| 81 | <u>T33S, R8W, SLB&M</u> Sec. 5: SE¼SW¼, SW¼SE¼ Sec. 8: NW¼NE¼, NE¼NW¼ Sec. 9: E½NW¼ | Iron 240.00 Acres |
| 82 | <u>T33S, R8W, SLB&M</u> Sec. 19: S½SE¼NE¼, E½SE¼ Sec. 21: E½SW¼, N½SE¼, W½SW¼SE¼ Sec. 28: N½N½NW¼ | Iron 320.00 Acres |
| 83 | <u>T33S, R8W, SLB&M</u> Sec. 36: Lots 1(37.43), 2(32.68), 3(33.22), 4(33.75), N½, N½S½ (All) | Iron 617.08 Acres |
| 84 | <u>T34S, R8W, SLB&M</u> Sec. 2: Lots 1(40.70), 2(40.50), 3(40.30), 4(44.74), 5(46.94), 6(43.69), 7(38.81), 8(38.84), 9(38.08), 10(38.83), 11(40.90), S½NE¼, SE¼NW¼, N½SE¼ (All) | Iron 652.33 Acres |

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| 85 | <u>T34S, R9W, SLB&M</u> Sec. 1: Lots 1(40.02), 2(40.06), W $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 2: M&B [Part Lot 2] (20.00), E $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, M&B [Part E $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$] (10.00) Sec. 11: W $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, M&B [Part W $\frac{1}{2}$ NW $\frac{1}{4}$, Part SW $\frac{1}{4}$ SW $\frac{1}{4}$] (28.00), M&B [Part SE $\frac{1}{4}$] (76.56) Sec. 12: NW $\frac{1}{4}$ NW $\frac{1}{4}$, M&B [Part W $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$] (10.00), M&B [Part SW $\frac{1}{4}$ SE $\frac{1}{4}$] (25.00) Sec. 14: M&B [Part NW $\frac{1}{4}$ NE $\frac{1}{4}$] (30.00) | Iron 439.64 Acres |
| 86 | <u>T34S, R9W, SLB&M</u> Sec. 9: SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 10: N $\frac{1}{2}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, M&B [Part E $\frac{1}{2}$ SE $\frac{1}{4}$] (75.30) | Iron 635.30 Acres |
| 87 | <u>T34S, R9W, SLB&M</u> Sec. 15: M&B [Part SW $\frac{1}{4}$ NE $\frac{1}{4}$, Part N $\frac{1}{2}$ NW $\frac{1}{4}$] (73.00), NW $\frac{1}{4}$ SW $\frac{1}{4}$, M&B [Part N $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$] (17.96) Sec. 16: M&B [Part SW $\frac{1}{4}$ SE $\frac{1}{4}$] (18.50) Sec. 21: M&B [Part E $\frac{1}{2}$ NE $\frac{1}{4}$] (56.30) | Iron 205.76 Acres |
| 88 | <u>T34S, R9W, SLB&M</u> Sec. 18: Lots 3(39.51), 4(39.57), E $\frac{1}{2}$ SW $\frac{1}{4}$ | Iron 159.08 Acres |
| 89 | <u>T34S, R9W, SLB&M</u> Sec. 32: All | Iron 640.00 Acres |
| 90 | <u>T35S, R10W, SLB&M</u> Sec. 2: W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 16: Lot 4(58.27), SW $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ Sec. 19: Lot 2(40.00), SE $\frac{1}{4}$ NW $\frac{1}{4}$ | Iron 738.27 Acres |
| 91 | <u>T35S, R10W, SLB&M</u> Sec. 22: NE $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 23: NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 24: NW $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 25: NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 27: NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 28: SE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 34: Lot 3 (40.03) | Iron 560.03 Acres |
| 92 | <u>T35S, R10W, SLB&M</u> Sec. 32: Lots 1(39.24), 2(39.11), 3(38.99), 4(38.86), N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ (All) | Iron 636.20 Acres |

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| 93 | <u>T35S, R11W, SLB&M</u> Sec. 24: SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 36: Lots 10(40.30), 11(39.95), 12(41.60), 13(41.59) | Iron 203.44 Acres |
| 94 | <u>T36S, R3W, SLB&M</u> Sec. 25: SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 36: W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ | Garfield 280.00 Acres |
| 95 | <u>T36S, R10W, SLB&M</u> Sec. 16: All Sec. 31: SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ | Iron 720.00 Acres |
| 96 | <u>T37S, R10W, SLB&M</u> Sec. 2: W $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 11: NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 24: SE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 25: W $\frac{1}{2}$ E $\frac{1}{2}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ | Iron 480.00 Acres |
| 97 | <u>T37S, R11W, SLB&M</u> Sec. 2: Lots 1(49.03), 2(49.10), 3(49.16), 4(52.13), 5(42.40), 6(42.43), 7(42.46), S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ (All) | Iron 686.71 Acres |
| 98 | <u>T37S, R11W, SLB&M</u> Sec. 11: E $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 12: E $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 13: NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 24: NW $\frac{1}{4}$ NE $\frac{1}{4}$ | Iron 760.00 Acres |
| 99 | <u>T37S, R11W, SLB&M</u> Sec. 16: Lots 1(36.15), 2(37.25), 3(38.35), 4(39.45), E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$ (All) Sec. 22: Lot 1(27.49) Sec. 23: SW $\frac{1}{4}$ NW $\frac{1}{4}$ | Iron 698.69 Acres |
| 100 | <u>T37S, R11W, SLB&M</u> Sec. 32: NE $\frac{1}{4}$ Sec. 33: SE $\frac{1}{4}$ SW $\frac{1}{4}$ | Iron 200.00 Acres |
| 101 | <u>T37S, R11W, SLB&M</u> Sec. 36: Lots 3(52.19), 4(58.84), 5(42.94), 7(45.92), 8(40.98), E $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ | Iron 400.87 Acres |

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| 102 | <u>T38S, R10W, SLB&M</u> Sec. 10: S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 15: NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 18: Lot 26(40.00), W $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 19: Lots 10(40.00), 11(40.00), 22(40.00), 23(40.00) Sec. 20: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 28: W $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 31: Lot 1(40.00) | Iron & Washington 920.00 Acres |
| 103 | <u>T43S, R8W, SLB&M</u> Sec. 2: Lots 1(23.24), 2(23.24), 3(23.24), 4(23.24), S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) | Kane 572.96 Acres |
| 104 | <u>T43S, R8W, SLB&M</u> Sec. 16: All | Kane 640.00 Acres |
| 105 | <u>T43S, R8W, SLB&M</u> Sec. 32: All | Kane 640.00 Acres |
| 106 | <u>T43S, R9W, SLB&M</u> Sec. 36: All | Kane 640.00 Acres |
| 107 | <u>T44S, R9W, SLB&M</u> Sec. 2: All | Kane 640.00 Acres |
| 108 | <u>T2S, R1W, USB&M</u> Sec. 27: M&B [Part NW $\frac{1}{4}$ SW $\frac{1}{4}$] (38.89), SE $\frac{1}{4}$ SW $\frac{1}{4}$ | Duchesne 78.89 Acres |
| 109 | <u>T2S, R1W, USB&M</u> Sec. 28: M&B [Part NE $\frac{1}{4}$, Part N $\frac{1}{2}$ N $\frac{1}{2}$ SE $\frac{1}{4}$] (141.50), M&B [Part SE $\frac{1}{4}$] (141.50) | Duchesne 283.00 Acres |
| 110 | <u>T2S, R1W, USB&M</u> Sec. 32: M&B [Part S $\frac{1}{2}$ NW $\frac{1}{4}$] (79.00) | Duchesne 79.00 Acres |
| 111 | <u>T2S, R1W, USB&M</u> Sec. 33: NE $\frac{1}{4}$ | Duchesne 160.00 Acres |

OIL SHALE LEASING UNITS

The following trust lands are hereby offered for Oil Shale lease by competitive filing with the State of Utah, School and Institutional Trust Lands Administration, in accordance with the provisions of State law and Rules Governing the Management and Use of Trust Lands in Utah. **The offering of these lands for lease of Oil Shale does not guarantee that there are deposits of oil shale on the selected parcels.** The Oil Shale lease carries a royalty rate of five per cent (5%), but not less than \$1.00 per bbl. of shale oil produced from the leasehold. The royalty rate may be increased one per cent (1%) annually after the first five years of production until a maximum of twelve and one-half per cent (12.5%) is reached. **The filing period ends at 5:00 P.M., Friday, January 27, 2006.** Each applicant may include only one leasing unit per application which must be on the Mineral Lease Application form for Oil Shale, copies thereof as attached to this offering. The Mineral Lease Application for Oil Shale must be accompanied by **two** checks – one for the bonus bid for the leasing unit and one check for the \$30.00 application fee. All application fees are forfeited to the Trust Lands Administration. Minimum annual rental, regardless of acreage shall be no less than \$500.00 or \$1.00 per acre, whichever is larger. The minimum acceptable bid is \$500.00 for lease units containing less than 500 acres or for units containing more than 500 acres, \$1.00 per acre and each fractional acre (all fractional acres are rounded up to one full acre). The bonus bid is applied to the first year rental payment. Each application must be submitted in a separate, sealed envelope marked: **“Sealed bid for competitive filing on Leasing Unit, No. _____ being offered for Oil Shale leasing. Bids to be opened at 10:00 A.M., Monday, January 30, 2006 at the School and Institutional Trust Lands Administration’s office at 675 East 500 South, Suite 500, Salt Lake City, Utah 84102-2818.”** No bid will be accepted unless it includes: (1) all the lands offered in a particular lease unit, (2) the entire bonus bid and \$30.00 application fee, and (3) is submitted in the manner required on the form, Mineral Lease Application for Oil Shale. Bid checks of all unsuccessful applicants will be returned to the applicant.

OIL SHALE LEASING UNITS

| <u>LEASING UNIT NO.</u> | <u>DESCRIPTION</u> | <u>COUNTY/ACRES</u> |
|-------------------------|---|-------------------------|
| 112 | <u>T8S, R24E, SLB&M</u> Sec. 2: Lots 1(39.99), 2(39.97), 3(39.95), 4(39.93), S½N½, S½ (All) Sec. 16: All | Uintah 1279.84 Acres |
| 113 | <u>T10S, R20E, SLB&M</u> Sec. 16: N½NE¼, NE¼NW¼, W½SW¼, SE¼SW¼ Sec. 32: All | Uintah 880.00 Acres |
| 114 | <u>T12S, R21E, SLB&M</u> Sec. 32: N½ | Uintah 320.00 Acres |

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|-----|--|-------------------------|
| 115 | <u>T13S, R21E, SLB&M</u> Sec. 32: All Sec. 36: All | Uintah 1280.00 Acres |
| 116 | <u>T14S, R20E, SLB&M</u> Sec. 2: Lots 1(39.99), 2(39.98), 3(39.98), 4(39.96), S½N½, S½ (All) Sec. 16: All | Uintah 1279.91 Acres |

**SCHOOL & INSTITUTIONAL TRUST LANDS ADMINISTRATION
COMPETITIVE LEASE OFFERING APPLICATION
OIL, GAS AND ASSOCIATED HYDROCARBONS**

Applicant Name: _____

Address: _____

City _____ State _____ Zip Code _____

Telephone No. _____

Applicant hereby applies for an oil, gas & associated hydrocarbons lease on the following described leasing unit located in _____ County, State of Utah, as listed on the Lease Offering.

| OFFICE USE ONLY | |
|-----------------|-------|
| APPLICATION NO. | _____ |
| SCH | _____ |
| MH | _____ |
| NS | _____ |
| SM | _____ |
| UNIV | _____ |
| DEAF | _____ |
| IB | _____ |
| USH | _____ |
| SYDC | _____ |
| RES | _____ |
| PB | _____ |
| USU | _____ |
| OTHER | _____ |
| TOTAL | _____ |
| Checked by | _____ |

| Leasing Unit No. * | Sections(s) | Tw | Rng | Meridian | Acres |
|--------------------|-------------|----|-----|----------|-------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

REQUIREMENTS AND CONDITIONS: 1) One leasing unit per application form; 2) Applicants are required to submit a check in the amount of \$30.00 as a non-refundable application fee AND a separate check in the amount of the bonus bid; 3) All application fees are forfeited to the School and Institutional Trust Lands Administration; 4) The Applicant offers a minimum bid of \$40.00 or \$1.50 per acre **or fraction thereof** per annum rental, whichever is greater; 5) Applicant does hereby bid and deposit with this application the sum of \$_____ as first year's rental and as a bonus amount to secure a lease for the above described leasing unit; 6) Bonus bid checks will be returned to unsuccessful applicants.

The successful Applicant must accept an oil, gas and associated hydrocarbons lease in the form currently offered by the School and Institutional Trust Lands Administration subject to the requirements of the laws of the state of Utah and the rules governing the management of the School and Institutional Trust Lands Administration. Failure of funds or failure to execute a lease within 30 days of receipt shall constitute a forfeiture of the bonus bid and termination of the lease agreement. If the applicant is a firm, association or corporation, the date such entity became qualified to do business in the state of Utah was _____.

Applicant's Signature

By: _____
**(Attorney-in-fact) Signature

** Application filed by an attorney-in-fact in behalf of the applicant shall not be accepted unless there is sufficient evidence on file with the Trust Lands Administration that the applicant authorized the attorney-in-fact to apply for and execute the lease in his behalf.

This bid form cannot be used for bidding on either surface lands or other mineral commodities. (See SITLA Rule R850-3-300.) For questions or information call (801) 538-5100.

FORM B (rev.3/05)

This document can be reproduced

**SCHOOL & INSTITUTIONAL TRUST LANDS ADMINISTRATION
COMPETITIVE LEASE OFFERING APPLICATION
OIL SHALE**

Applicant Name: _____

Address: _____

City _____ State _____ Zip Code _____

Telephone No. _____

Applicant hereby applies for a mineral lease on the following described leasing unit as listed on the Lease Offering, situated in _____ County, State of Utah, for the purpose of mining the following mineral(s) therefrom:
Oil Shale

OFFICE USE ONLY
APPLICATION NO. _____

SCH _____
MH _____
NS _____
SM _____
UNIV _____
D&D _____
IB _____
USH _____
SYDC _____
RES _____
PB _____
USU _____
OTHER _____

TOTAL _____

Checked by _____

| Leasing Unit No. * | Section(s) | Tw | Rng | Meridian | Acres |
|--------------------|------------|----|-----|----------|-------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

REQUIREMENTS AND CONDITIONS: 1) One leasing unit per application form; 2) Applicants are required to submit a check in the amount of \$30.00, as a nonrefundable application fee, AND a separate check in the amount of the bonus bid; 3) All application fees are forfeited to the School and Institutional Trust Lands Administration; 4) The Applicant offers a minimum bid of \$500.00 per lease unit, regardless of acreage, or \$1.00 per acre, (fractional acres are rounded up to one full acre) which ever is greater; 5) Applicant does hereby bid and deposit with this application a sum of \$ _____ as first years rental and as a bonus amount to secure a lease for the above described lease unit; 6) Bonus bid checks will be returned to unsuccessful applicants.

The successful Applicant must accept an Oil Shale lease in the form currently offered by the School and Institutional Trust Lands Administration subject to the requirements of the laws of the State of Utah and the rules governing the management of the School and Institutional Trust Lands Administration. Failure of funds or failure to execute a lease within 30 days of receipt shall constitute a forfeiture of the bonus bid and termination of the lease agreement. If the applicant is a firm, association or corporation, the date such entity became qualified to do business in the State of Utah was _____.

Applicant's Signature

By: _____
**(Attorney-in-fact) Signature

** Application filed by an attorney-in-fact in behalf of the applicant shall not be accepted unless there is sufficient evidence on file with the Trust Lands Administration that the applicant authorized the attorney-in-fact to apply for and execute the lease in his behalf.

This bid form cannot be used for bidding on either surface or oil, gas & hydrocarbon lands. For questions or information call (801) 538-5100.

FORM C -1 (rev. 11-05)

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